

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

RECEIVED

MAR 01 2000

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

In the Matter of)
)
GTE Corporation,)
)
Transferor)
And)
)
Bell Atlantic Corporation,)
)
Transferee,)
)
For Consent to Transfer Control)

CC Docket No. 98-184

DOCKET FILE COPY ORIGINAL

**FURTHER COMMENTS OF THE
ALLIANCE FOR PUBLIC TECHNOLOGY**

The Alliance for Public Technology (APT),¹ has previously urged the Commission to evaluate whether the Bell Atlantic/GTE and other proposed mergers serve "the public interest, convenience and necessity"² by examining whether the transaction promotes the goal of Section 706 of the Telecommunications Act of 1996 to "encourage the deployment on a reasonable and timely basis of advanced telecommunications

¹ The Alliance for Public Technology (APT) is a tax-exempt advocacy organization founded in 1988 to promote affordable access to telecommunications and information by all consumers. APT's almost 300 members include other non-profit groups and individuals that support the organization's mission:

to make available as far as possible, to all people of the United States, regardless of race, color, national origin, income, residence in rural or urban area, or disability, high capacity two-way communications networks capable of enabling users to originate and receive affordable and accessible high quality voice, data, graphics, video and other types of telecommunications services.

² 47 USC Sec. 310 (d). See also, 47 USC Sec. 214 (a).

capability to all Americans."³ Moreover, APT has advocated that the Commission use "social compacts" with merged entities to utilize their enhanced market power and increased investment capacity to meet Section 706's objective of ubiquitous broadband deployment.⁴

We are very pleased, therefore, that as a condition of the merger, Bell Atlantic and GTE have proposed to deploy "advanced services to include low-income groups in rural and urban areas, 'ensuring that the merged firm's rollout of advanced services reaches some of the least competitive market segments and is more widely available to low income consumers.'"⁵ APT commends the companies for their proposed commitment and their efforts to advance the public trust in a major merger.

We find further encouragement in the collaborative agreement that Bell Atlantic and GTE negotiated with community groups as a condition for approval of the merger in California. Patterned after the "social compacts" negotiated as conditions of previous mergers, the agreement provides for a \$34 million fund to be created out of the benefits of the merger to help bridge the "digital divide." Similarly, a community partnership agreement and \$50 million community technology fund

³ See Comments of the Alliance for Public Technology, In the Matter of GTE Corp., Transferor, and Bell Atlantic Corp., Transferee, For Consent to Transfer Control, CC Docket No. 98-184 (Nov. 23, 1998); and Response of the Alliance for Public Technology, In the Matter of Amended Applications of WorldCom, Inc. and MCI Communications Corp. for Transfer of Control of MCI Communications Corp. to WorldCom, Inc., CC Docket No. 27-211 (Jan. 26, 1998).

⁴ See, for example, Petition of the Alliance for Public Technology Requesting Issuance of Notice of Inquiry and Notice of Proposed Rulemaking to Implement Section 706 of the 1996 Telecommunications Act, CC Docket No. 9244 (Feb. 18, 1998) (APT Petition) at 33.

⁵ See Supplemental Filing of Bell Atlantic and GTE, In the Matter of GTE CORPORATION, Transferor, and BELL ATLANTIC CORPORATION, Transferee, For Consent to Transfer Control, CC Docket No. 98-184 (January 27, 2000) at 20.

were approved by the California Public Utilities Commission (CPUC) in the SBC/Pacific Telesis merger; and a commitment to technology diffusion was negotiated with the Edgemont Neighborhood Coalition to obtain Ohio regulators' approval of the SBC/Ameritech merger.

The Alliance has also previously stated that the geographic dispersion of Bell Atlantic and GTE's combined service areas and the rate at which both companies have deployed high capacity network technologies provide the potential for this merger to advance the ubiquity goals of Section 706.⁶

Any proposed merger requires safeguards to ensure the continued diffusion of technology to marginalized communities and infrastructure investment. We believe that Section 706 of the 1996 Act provides the Commission with the authority and the means to impose such safeguards. In our view, Section 706 firmly supports such action, for the provision states that the Commission and its state counterparts, shall encourage the timely deployment of advanced telecommunications capability to all citizens by:

utilizing, in a manner consistent with the public interest, convenience, and necessity, price cap regulation, regulatory forbearance, **measures that promote competition in the local telecommunications market, or other regulating methods that remove barriers to infrastructure investment.** (Emphasis added.)

In summary, we applaud the willingness of Bell Atlantic and GTE to suggest measures that the Commission can adopt as a "social compact" and would condition its merger approval on a requirement to ensure that investment in advanced

⁶ See Comments of the Alliance for Public Technology, In the Matter of GTE CORPORATION, Transferor, and BELL ATLANTIC CORPORATION, Transferee, For Consent to Transfer Control, CC Docket No. 98-184 (November 23, 1998) at 2.

telecommunications infrastructure for underserved communities. The Alliance urges the Commission to monitor closely and assess the effectiveness of the conditions it imposes by establishing a mechanism for annual reporting and review of the merged company's broadband deployment. Consistent with the FCC's oversight responsibility under Section 706, we ask that the Commission impose similar conditions in all mergers. By fulfilling its mandate and focusing attention on the importance of 706 and its goals, the Commission can significantly promote the public's interest in a competitive marketplace.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Donald Vial". The signature is fluid and cursive, with the first name "Donald" being more prominent than the last name "Vial".

Donald Vial
Policy Committee Chair

The Alliance for Public
Technology
901 Fifteenth Street, NW
Suite 230
Washington, DC 20005
(202) 408-1403

I, Ayesha Nichols, an Associate for the Alliance for Public Technology, hereby certify that on March 1, 2000 copies of the foregoing "Further Comments of the Alliance for Public Technology" were hand delivered to:

Chairman William E. Kennard
Federal Communications Commission
Commissioner
Room 8B-201, Portals II
445 - 12th Street, SW
Washington, DC 20054

Commissioner Susan Ness
Federal Communications Commission
Room 8B-115, Portals II
445 - 12th Street, SW
Washington, DC 20054

Commissioner Gloria Tristiani
Federal Communications Commission
Room 8C-302, Portals II
445 - 12th Street, SW
Washington, DC 20054

Commissioner Michael K. Powell
Federal Communications Commission
Room 8A-302, Portals II
445 - 12th Street, SW
Washington, DC 20054

Commissioner Harold Furchgott-Roth
Federal Communications Commission
Room 8B-201, Portals II
445 - 12th Street, SW
Washington, DC 20054

Magalie Romas Salas
Secretary
Federal Communications Commission
445 12th Street, Portals II
Lobby
Washington, DC 20054

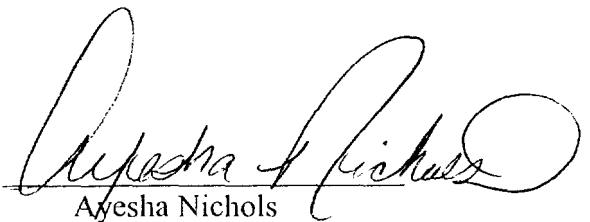
Lauren Kravetz
Wireless Telecommunications Bureau
445 - 12th Street, SW
Room 4A-163
Washington, DC 20054

Janis Myles
Policy Program Planning Division
Common Carrier Bureau
445 - 12th Street, SW
Room 5-C327
Washington, DC 20054

Julie Patterson
Policy Program Planning Division
Common Carrier Bureau
445 - 12th Street, SW
Room 5-C134
Washington, DC 20054

Mathew Vitale
International Bureau
445 12th Street, SW
Room 6-A821
Washington, DC 20054

International Transcription Service
445 12th Street, SW
Room CY-402
Washington, DC 20054



Ayesha Nichols